As-salaam aleikum. Good afternoon.

I am joined today by Brigadier General Mike Walsh, who commands the Gulf Region Division of the Corps of Engineers.

I have a number of issues and actions to update you on this afternoon, and then General Walsh has some remarks on the reconstruction effort.

In regard to the attack which you have seen in the news this morning, we strongly condemn the violent attack targeting Polish Ambassador Edward Pietrzyk's convoy today in Baghdad. Poland has been a strong and steadfast ally here and around the world and we commend its commitment to a stable and secure Iraq. We extend our support and best wishes, and the prayers of the Coalition and Multi-National Force to the Ambassador, his colleagues, and their families. We have been providing and will continue to provide medical assistance, and stand ready to provide additional assistance as we can.

<u>Introduction</u>

While the government of Iraq, Iraqi forces and coalition forces continue to pressure Al-Qaeda networks and operating bases and keep them off-balance, they are still a dangerous threat. On Saturday in Mosul we saw three separate but similar attacks on the Imams of the al-Hudaa, al-Sadiq and al-Suhabah mosques. We join the people of Mosul in condemning this barbaric violence against respected religious leaders during the holy month of Ramadan and pledge to work with Iraqi authorities to bring those involved to justice.

Al-Qaeda Roll-up

We continue to work with the Iraqi Security Forces to maintain pressure on al-Qaeda in Iraq by targeting their leadership, their networks, and their sanctuaries.

During the month of September, 29 senior al Qaeda in Iraq operatives were either killed or captured.

- 5 were Emirs at the city level or higher in the AQI leadership structure
- 9 were geographical or functional cell leaders,
- And, 11 were facilitators who supported foreign terrorist and weapons movements. Five of these senior terrorists were killed and are depicted in red boxes on the slide. We have previously announced four of these:
 - Abu Usama al Tunisi who you'll recall was the Tunisian-born Emir of the Foreign Terrorists and the Emir of the Southern Belt who was a likely successor to al-Masri.
 - Yaqub al Masri, the Egyptian-born leader, was in the inner circle with Zarqawi and then also in the inner circle of Abu Ayyub al-Masri. He was a close associate of Ayman al-Zawahiri as well.
 - Muhammad al Afari, the Emir of Sinjar, who led the barbaric bombings of the Yazidis in northern Iraq.
 - And finally, Abu Taghrid was the Emir of the Rusafa car bomb network.

The fifth senior terrorist killed was named Muthanna. He was killed during operations on September 11th near Sinjar, in northwest Iraq. His death and that of seven other terrorists occurred when one of the terrorists detonated a suicide vest and our forces took defensive actions. Muthanna was the Emir of the Iraq and Syrian border area, and he was a key facilitator of the movement of foreign terrorists once they crossed into Iraq from Syria. He worked closely with Syrian-based al Qaeda foreign terrorist facilitators.

During this operation, we also captured multiple documents and electronic files that provided insight into al Qaeda's foreign terrorist operations, not

only in Iraq but throughout the region. They detail the larger al-Qaeda effort to organize, coordinate, and transport foreign terrorists into Iraq and other places.

The 400-plus documents, three computer hard drives, two thumb drives and eleven compact discs at the site revealed the following:

- A list of over 500 foreign terrorists being recruited by al-Qaeda
- Biographies on 143 foreign terrorists who were en route to Iraq or who had already arrived – including personal data, photographs, recruiter's name, and the date and route of entry into Iraq. They came from a range of foreign countries that included Libya, Morocco, Syria, Algeria, Oman, Yemen, Tunisia, Egypt, Jordan, Saudi Arabia, Belgium, France and the United Kingdom.
- Routing and the financial transactions involving the movement for each foreign terrorist.
- And other documents that we found included a formal pledge from foreign terrorists who were committed to suicide operations.

Despite this concerted effort by Al-Qaeda to bring foreigners in to terrorize Iraq, there is progress being made and it is attributable to the following actions:

- Iraqi and Coalition Force targeting of these networks and leaders, like Muthanna, al-Tunisi and the al-Turki brothers.
- The courage and vigilance of Iraqi citizens and security forces.
- And it is also attributable to the engagement of the Government of Iraq with their regional neighbors to seek broader cooperation in securing their borders and attending to the necessary security issues related to these types of terrorist networks.

 Defeating the foreign terrorist networks requires a sustained effort and the commitment from all of these neighbors and we support Iraq as they continue in that effort.

Qods Force Capture

We are also continuing to learn a significant amount about the Iranian Revolutionary Guard Corps Qods Force officer who was detained here on September 20th.

- As you know, the detainee was posing as a businessman with an Iranian trade delegation using the name Agha Farhadi. In reality, he is an officer in the Qods Force, and his name is Mahmud Farhadi.
- Farhadi was the officer-in-charge of the Zafr Command, one of three units subordinate to the Ramazan Corps of the Qods Force. This Corps is responsible for most of the Qods Force operations in Iraq.
- As the Zafr Commander, he was responsible for all Qods Force operations in north-central Iraq that included cross-border transfers of weapons, people and money.
- Multiple sources implicate Farhadi in providing weapons to Iraqi criminal elements and surrogates of Iran.
- We also know that for more than a decade, he was involved in Iranian intelligence operations in Iraq.

<u>Iran</u>

As we have said before, we would prefer to be able to report on Iran's excellence in fulfilling their public commitments to the Government of Iraq – commitments to help secure their common border, eliminate the smuggling of weapons, and to cease the movement of trained terrorists into Iraq.

Such an effort could do much to improve the security for the Iraqi people and would be welcomed by everyone in Iraq.

Instead, we see Iran imposing economic hardship on the people of Iraq during Ramadan by closing their border in protest over the detention of a Quds Force Officer, an operative sent here to fuel the violence and who they continue to maintain is a businessman.

ISF Operations

As Coalition and Iraqi forces operate against the foreign threats destabilizing Iraq, the Iraqi Security Forces are also conducting increasingly effective operations of their own:

- Last Wednesday (25 Sep), the 3rd Iraqi Army Division responded to support Coalition operations against an improvised explosive device team in the vicinity of Tal'Afar. The Iraqi patrol killed two IED emplacers and repelled an ambush by other elements. An investigation of the site further revealed seven IEDs ready for emplacement which Iraqi Soldiers safely cleared.
- And on Sunday (30 Sep), the 3rd Iraqi Army Division conducted an air assault to interdict a vehicle moving after curfew in a known al-Qaeda transit area near Sinjar. A passenger exited the vehicle and detonated his suicide vest, killing two Iraqi Army Soldiers and an interpreter. After the blast, the driver also took hostile action and was killed.

ISF and CF assist Iraqi Citizens

In addition to these tactical operations, Iraqi and Coalition Forces are engaged in a range of medical and humanitarian efforts for and with Iraqi citizens:

• On Thursday (27 Sep), the New Baghdad Neighborhood Council and the Iraqi National Police provided medical supplies to hundreds of

citizens of New Baghdad. The operation was enabled by the improved security in that neighborhood.

 Also on Thursday (27 Sep), Iraqi healthcare providers from the 2nd Brigade, 9th Iraqi Army Division teamed up with Coalition medics and a doctor to assist the citizens of Bassam in north Baghdad. And over 200 patients were seen then.

GOI at Babil Forum

On the economic front, the Government of Iraq continues to reach out to the provinces to support their budgets and programs.

• This past Sunday (30 Sep), the Babil Forum was held in the provincial capital of Hillah. National leaders including Deputy Prime Minister Barham Salih and the Ministers of Finance, Defense, Industry and Minerals, Municipalities, and Electricity, along with several members of the Council of Representatives, met with the Governor and key provincial leaders to congratulate them on allocating 100% of their 2007 provincial budget. Dr. Salih applauded this progress and agreed to provide the provincial government with an additional 40 billion Iraqi dinar, about \$32 million US dollars, in financing for a small-business loan program in the province as well.

Ramadan Message

The progress underway is due to a number of factors. The Iraqi Security Forces have courageously prevented many attacks from reaching their intended targets. Increasing numbers of citizens have rejected extremism and demonstrated a desire to help secure their neighborhoods. And many of the followers of Muqtada al-Sadr have honored his declaration and stoped their violence.

As Ramadan nears completion and the celebrations surrounding Eid al Fitr draw near, we hope that this holy month has renewed the commitment of the Iraqi people towards peace and reconciliation. We remain committed to

our partnership with the people of Iraq to provide security and foster reconciliation, and we will work with all Iraqis who reject extremism and violence.

That concludes my update, and I'll now turn the mic over to General Walsh for his comments on the reconstruction efforts in Iraq. Shukran.